



KENTUCKY  
**Council**  
on postsecondary education

# Strategic Committee On Postsecondary Education





# **Advancing the Public Agenda through the 2006-08 Budget Request**

SCOPE Presentation  
January 12, 2006



# The Mandates for Change

- **Postsecondary Education Improvement Act of 1997 – HB 1**

Established a long-term goal of raising the standard of living and quality of life in the Commonwealth above the national average by the year 2020

- **Kentucky Adult Education Act of 2000 – SB 1**

Acknowledged adult literacy as a fundamental barrier to every major challenge facing Kentucky and called for a multi-faceted strategy to address the low level of education of Kentucky's adult population



# Success Since Reform

- Kentucky's college-going rate of 62% now exceeds the national rate of 57%
- Postsecondary enrollment increased 27% from 1998 to 2005
- Graduation rates for bachelor's students increased from 37% in 1998 to 44% in 2004
- Adult education enrollment increased 144% in five years
- Extramural research and development funding increased from \$166 million to \$263 million between 1999 and 2003
- Degrees increased 24% from 1998 to 2005



# 2020 Projections to Meet Goals

To reach the national average in educational attainment, we must roughly **double** the number of working age Kentuckians with a bachelor's degree or higher, from **400,000 to 791,000**.



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# Policy Interventions to Increase Degree Production

- **Policy Interventions**

- Improve participation and quality at four-year institutions
- Increase adult education and GED college-going rate
- Use KCTCS capacity and increase transfers
- Raise high school graduation rate
- Increase in-migration of degree holders through labor market changes



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# Closing the Gap

Scenario	Bachelor's Degree Holders in 2020	Additional Bachelor's Degree Holders Needed by 2020
No Policy Interventions	580,000	211,000
Policy Interventions (4.5% annual growth)	711,000	80,000
Policy Interventions (6.5% annual growth)	791,000	0



# The 2005-2010 Public Agenda

## Five Questions

1. Are more Kentuckians ready for postsecondary education?
2. Is Kentucky postsecondary education affordable for its citizens?
3. Do more Kentuckians have certificates and degrees?
4. Are college graduates prepared for life and work in Kentucky?
5. Are Kentucky's people, communities, and economy benefiting?



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# A Balanced Request: Four Major Components

- Base Funding – Benchmark model seeks funding for each institution above the benchmark average within the next four years to facilitate achievement of HB 1 Goals.
  - Policy Changes:
    - Refined selection of benchmarks
    - Distribution policy
    - Addition of a performance component to the funding model
    - Treatment of tuition and fee revenue in the funding model
    - Funding objective
- Capital - The Council developed a priority ranking model to evaluate projects based on the public agenda.
- Strategic Trust Funds and Incentive Funding Programs – Funding that addresses key parts of the reform effort in addition to base and capital funding.
- Institutional Special Initiatives – Funding for specific institutional programs not covered in the base funding recommendation.



# 2006-08 Biennial Additional Base and Incentive Funding

## Base Funding

- \$150.6 M for Adult Education, CPE and public postsecondary institutions

## Incentive Funding

- \$34.0 M for Research
- \$18.0 M for Regional Stewardship
- \$850,000 for Science and Technology
- \$4.0 M for Workforce Development / Transfer
- \$3.8 M for Technology Initiative Programs



# 2006-08 Biennial Additional Capital Funding

## Capital Renewal and Maintenance

- \$1.6 M

## Technology and Equipment

- \$5.0 M

## Institutional Projects

- \$17.9 M for Research Facilities
- \$ 31.1 M for Academic Facilities

The figures above reflect debt service to support \$507.1 M in state bonds. The budget request also includes \$7.6 M for project design of a research facility which is not debt service.



# 2006-08 Council Special Initiatives / Pass-through Programs

- \$2 M for the Kentucky Principal Leadership Institute
- \$922,000 for Contract Spaces
- \$240,000 for the Minority Student Preparation Program
- \$233,000 for the Doctoral Scholars Program
- \$100,000 for the Kentucky Early Math Testing Program



# 2006-08 Institutional Special Initiatives

- \$4 M for Retention and Affordability (All Institutions)
- \$2 M for the Kentucky Academy of Math and Science (WKU)
- \$900,000 for the University Center of the Mountains (KCTCS)
- \$500,000 for the Center for Instructional Technology (EKU)
- \$500,000 for the Kentucky School of Crafts (KCTCS)
- \$300,000 for the Academic Transformation Project (NKU)
- \$300,000 for Improved Student Services (Morehead)
- \$200,000 for Improved Math/Science Teacher Prep (Murray)
- \$100,000 for Kentucky Early College (Morehead, KCTCS)



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# If we reach our goal, we can expect:

- Higher incomes
- More high-value jobs
- Increased tax revenues
- Involved citizens
- More research & economic development
- Less poverty
- Healthier citizens



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